



Charity Registration No. SC023039 (Scotland)

Company Registration No. SC390449 (Scotland)

**BIGHEARTED SCOTLAND**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**



# BIGHEARTED SCOTLAND

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Sheena Breeze Jennifer Campbell David Dunsire Robert Elliot Abbey McConnon Deborah Roe Linzi Donald Gillian McCreadie	(Appointed 11 March 2021) (Appointed 16 August 2022)
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<b>Charity number (Scotland)</b>	SC023039
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<b>Company number</b>	SC390449
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<b>Registered office</b>	Caledonian Exchange 19a Canning Street Edinburgh United Kingdom EH3 8HE
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<b>Independent examiner</b>	Paul Hutchison ACA Azels Audit Services Chartered Accountants Exchange Place 3 Semple Street Edinburgh United Kingdom EH3 8BL
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<b>Bankers</b>	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent United Kingdom ME19 4JQ
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<b>Solicitors</b>	Lindsays Calendonian Exchange 19A Canning Street Edinburgh United Kingdom EH3 8HE
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# **BIGHEARTED SCOTLAND**

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# **BIGHEARTED SCOTLAND**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

### **FOR THE YEAR ENDED 31 DECEMBER 2021**

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The trustees, who are also directors for the purpose of company law, have the pleasure in presenting their report and financial statements for the year ended 31 December 2021.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland (FRS 102)" (effective 1 January 2019).

#### **Chair's report**

In 2021, the Bighearted Scotland committee were able to review the full impact of the 2020 pandemic on income. Historically PAYE givers were mainly from large retail chains and the combination of furlough and redundancies within this sector greatly affected income. We saw a decrease of circa £500 per month because of cancelled PAYE donations. We also continued to be affected by GDPR issues affecting our ability to communicate with historic data, and additionally our decreased media profile affected the ability of PAYE companies to promote us to potential new supporters.

In January 2021, the Committee held an urgent review, and the decision was made to relaunch the brand in late 2022 with a plan to review the USP and charity messaging, branding, website, promotional material and very importantly refreshing the relationships with PAYE companies to ensure we are at the forefront of any of their recruitment campaigns. It is hoped that we will be able to recruit new regular givers to increase income back to pre-pandemic levels.

Despite these significant challenges, the Bighearted Scotland Committee remain committed to using the funds we did raise in 2021 to support a wide range of children, families, young people and adults and animal welfare issues. As part of the rebranding process, we will be creating an infogram to clearly demonstrate the impact that Spina Bifida Hydrocephalus Scotland, Epilepsy Scotland, Penumbra, Erskine and OneKind have in communities across Scotland.

We know that Covid-19 is still affecting many of the vulnerable, and now the cost-of-living crisis in 2022 will cause further pressures across all sectors. The five charities involved in the Bighearted Scotland Committee have all made the decision that despite unprecedented financial challenges, we will continue to do whatever we can, with the resources we have. It's times like these, the most vulnerable in society become even more so and we look forward to relaunching the Bighearted brand to tap into the renowned philanthropic spirit of the Scottish public to help us collectively reach out to all those that need us most.

Deborah Roe  
Chair

#### **Objectives and activities**

The purpose of the charity is to provide public benefit in Scotland and elsewhere by enabling the member charities to fundraise together under one umbrella title.

#### **Member charities –**

Epilepsy Scotland

Erskine

Momentum (no longer operational)

OneKind

Penumbra

Spina Bifida Hydrocephalus Scotland (formally Scottish Spina Bifida Association)

The main activity of the charity is income generation from payroll giving.

# BIGHEARTED SCOTLAND

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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### Achievements and performance

The fundamental source of income for Bighearted Scotland has always been and remains to be payroll giving. However, having made a significant investment in a short-term campaign in 2016, the result has been disappointing from payroll giving. The Trustees have noted a decrease in fundraising costs, due to reduced recruitment of new donors. This recruitment has been sporadic with our key partners. We are monitoring the success of ongoing recruitment and our attrition with measures in place to improve on this in the coming months. The result of the income generated in the year to December 2021 has allowed Bighearted to contribute £4,000 (2020: £4,350) to each of its charity members and support each of the charity's aims.

### Financial review

The net income for the year is £5,706 (2020 - £3,583). The charity holds reserves, all of which are unrestricted, totalling £22,887 (2020 - £17,181).

### Reserves policy

As the charity has no long-term commitments, paid employees and very little day to day running costs, there is no requirement for excessive reserves to be held. The Trustees are of the opinion that a minimum of £5,000 should be held as a reserve, which would be sufficient to cover costs should there be a decision taken to wind down the charity. As at the balance sheet date sufficient reserves are held to meet these costs.

### Risk management

The trustees consider the risks to which the charity is exposed and have taken steps to mitigate those risks. We have worked to minimise costs and currently pay no salaries. The primary objective of Bighearted Scotland is to raise funds for the member charities. If we do not return a profit on fundraising activities then the charities simply receive a smaller disbursement or none at all. At the time of disbursements the trustees are mindful to keep a reasonable sum of income as reserves to meet possible liabilities.

### Structure, governance and management

#### Governing document

Bighearted Scotland is a company, limited by guarantee, and has obtained permission from the Registrar of Companies to omit the word "limited" from the company name. The company was incorporated on 16 December 2010. Bighearted Scotland has been granted charitable status by H. M. Revenue & Customs and is governed by its Memorandum and Articles of Association.

Trustees who served during the year are as follows:

Sheena Breeze  
Jennifer Campbell  
David Dunsire  
Robert Elliot  
Robyn Friel  
Abbey McConnon  
Deborah Roe  
Linzi Donald  
Gillian McCreadie

(Resigned 7 September 2021)

(Appointed 11 March 2021)

(Appointed 16 August 2022)

### Organisation

A board of trustees is solely responsible for the strategic and operational management of the charity. The minimum number of trustees is five and there is no maximum. Each of the member charities nominate a representative from their organisation to stand as a trustee who has skills, knowledge and experience in the current and future activities of the Charity. In addition to member charity representatives and in accordance with the Independent Trustee Appointment Policy, three further independent trustees can be nominated and elected by the board.

# **BIGHEARTED SCOTLAND**

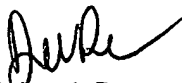
## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021**

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### **Appointment, induction and training of trustees**

The trustees are appointed in accordance with the Memorandum and Articles of Association. Each member is entitled to nominate a trustee, being an employee or officer of the nominating member. Induction packs are given to the trustees when appointed and training is provided as and when appropriate.

The trustees' report was approved by the Board of Trustees.



**Deborah Roe**

Trustee

Dated: 13 September 2022

# BIGHEARTED SCOTLAND

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF BIGHEARTED SCOTLAND

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I report on the financial statements of the charity for the year ended 31 December 2021, which comprise the Statement of Financial Activities, Balance Sheet and related notes.

### **Respective responsibilities of trustees and examiner**

The charity's trustees, who are also the directors of Bighearted Scotland for the purposes of company law, are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investments (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

### **Basis of independent examiner's statement**

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the financial statements.

### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
  - (i) to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
  - (ii) to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Paul Hutchison ACA  
Azets Audit Services  
Chartered Accountants  
Exchange Place 3  
Semple Street  
Edinburgh  
EH3 8BL  
United Kingdom

Dated: 26 September 2022

# BIGHEARTED SCOTLAND

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<b><u>Income from:</u></b>			
Donations and legacies	3	32,475	40,410
Investments	4	1	6
<b>Total income</b>		<b>32,476</b>	<b>40,416</b>
<b><u>Expenditure on:</u></b>			
Raising funds	5	6,770	10,733
Charitable activities	6	20,000	26,100
<b>Total expenditure</b>		<b>26,770</b>	<b>36,833</b>
<b>Net movement in funds</b>		<b>5,706</b>	<b>3,583</b>
Fund balances at 1 January 2021		17,181	13,598
<b>Fund balances at 31 December 2021</b>		<b>22,887</b>	<b>17,181</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.



# BIGHEARTED SCOTLAND

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Current assets</b>					
Debtors	10	960		-	
Cash at bank and in hand		25,359		21,645	
		<u>26,319</u>		<u>21,645</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(3,432)</u>		<u>(4,464)</u>	
Net current assets			<u>22,887</u>		<u>17,181</u>
<b>Income funds</b>					
Unrestricted funds			<u>22,887</u>		<u>17,181</u>
			<u>22,887</u>		<u>17,181</u>

The company was entitled to exemption from audit under section 477 of the Companies Act 2006 for the financial year ended 31 December 2020. The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

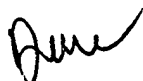
The directors acknowledge their responsibilities for:

(a) ensuring that the company keeps accounting records which comply with section 386 and 387 of the Companies Act; and

(b) for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its surplus for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 13 September 2022



Deborah Roe  
Trustee

Company Registration No. SC390449

# BIGHEARTED SCOTLAND

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1 Accounting policies

##### Charity information

Bighearted Scotland is a charitable company limited by guarantee registered in Scotland, registration number SC390449.

The address of the charity's registered office is Caledonian Exchange, 19A Canning Street, Edinburgh EH3 8HE.

The continuing activity of the charity is the provision of public benefit in Scotland and elsewhere by enabling the member charities to fundraise together under one umbrella title.

Bighearted Scotland meets the definition of a public benefit entity under FRS102.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), FRS 102 "the Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), the provisions of the Companies Act 2006 applicable to small companies and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

The charitable company has made surplus in the year and continues to have a positive net current asset position. As part of the going concern assessment, the Trustees have considered the ongoing impact on the charitable company and also current inflationary pressures impact on costs. With the flexibility of the grant giving policy and the relatively strong cash position the Trustees are of the opinion that the charity can continue to meet its obligations as they fall due for the foreseeable future. As a consequence the trustees have prepared the accounts on the going concern basis.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

#### 1.4 Income

All income is included in the Statement of Financial Activities when the charitable company is entitled to the income; it is probable that income will be received, and the amount of income can be measured reliably.

The following specific policies are applied to particular categories of income:

- Donations and legacies are included in full in the Statement of Financial Activities when the charitable company is entitled to the income, it is probable that income will be received, and the amount of income can be measured reliably.
- Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

# BIGHEARTED SCOTLAND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is recognised on an accruals basis when a legal or constructive obligation arises.

- Costs of raising funds include fees to payroll giving recruitment agencies and other administrative costs.
- Charitable expenditure comprises those disbursements made to its beneficiaries.

Support costs are those functions that assist the work of the charitable company but do not directly undertake charitable activities. Support costs include professional fees and other governance costs, including those costs associated with meeting the constitutional and statutory requirements of the charity and include the costs linked to the strategic management of the charity.

The charitable company is not registered for VAT and accordingly expenditure includes VAT where appropriate.

#### 1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.7 Financial Instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

# BIGHEARTED SCOTLAND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 1 Accounting policies

(Continued)

#### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There were no significant estimates and assumptions made in preparing these financial statements.

### 3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	31,483	37,847
Other	992	2,563
	<u>32,475</u>	<u>40,410</u>

### 4 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	<u>1</u>	<u>6</u>

# BIGHEARTED SCOTLAND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 5 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
<u>Fundraising and publicity</u>		
Payroll and other agency costs	2,189	5,316
Publicity and development	2,024	520
Support and governance costs	2,557	4,897
	<u>6,770</u>	<u>10,733</u>

### 6 Charitable activities

	Charitable activities	Charitable activities
	2021	2020
	£	£
Disbursements to member charities	20,000	26,100

### 7 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Professional fees	516	-	516	2,160	-	2,160
Bank charges	96	-	96	60	-	60
Independent examination	-	1,056	1,056	-	1,344	1,344
Legal and professional	-	373	373	-	373	373
Annual accounts preparation	-	516	516	-	960	960
	<u>612</u>	<u>1,945</u>	<u>2,557</u>	<u>2,220</u>	<u>2,677</u>	<u>4,897</u>
Analysed between Fundraising	<u>612</u>	<u>1,945</u>	<u>2,557</u>	<u>2,220</u>	<u>2,677</u>	<u>4,897</u>

# BIGHEARTED SCOTLAND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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### 8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

### 9 Employees

There were no employees during the year (2020 - none).

No Trustees received remuneration during the year for services as a Trustee (2020 - none). During the year no Trustee (2020 - none) received reimbursement of out of pocket expenses (2020 - none).

### 10 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Other debtors	960	-
	<u>960</u>	<u>-</u>

### 11 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	3,432	4,464
	<u>3,432</u>	<u>4,464</u>

### 12 Related party transactions

Included in resources expended are contributions to charities totalling £20,000 (2020 - £26,100) in order to assist each of the Member Charity Trustees' own charitable activities.